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SUBJECT: ON THE EVE OF THAILAND'S GENERAL ELECTION: THE MAJOR PARTIES

REF: BANGKOK 673

1. (SBU) At first glance the Thai political landscape on the eve of the February 6, 2005 parliamentary elections looks cluttered. Thailand still has 39 registered political parties. Twenty parties have fielded "party list" candidates and 24 parties are entered in some of the 400 contests for "constituency" seats in the Lower House of Parliament. The reality, however, is that four major political parties hold virtually all seats in Parliament, and the ballots cast this Sunday won't radically alter that distribution. Prime Minister Thaksin Shinawatra and his Thai Rak Thai (TRT) party are tipped for a large scale victory, perhaps one that will allow them to govern without forming a coalition. Most observers predict that the TRT will win well over 300 party list and constituency seats in Parliament. The Democrat Party (DP) will remain the main opposition party but will fall far short of the 201 seats it has publicly set its sights on. The Chat Thai (CT) and Mahachon parties, the other two credible parties, could pick up between 50 - 65 seats according to the latest polls. If TRT does not gain a sufficiently large margin on its own to reach PM Thaksin's comfort level, the Chat Thai and/or Mahachon parties are presumed to be available to join the TRT in a stronger governing coalition. As described in reftel, The CT has been in the coalition of Thaksin's first government, and Mahachon has made clear its readiness to ally with whomever best satisfies the interests of its key members. A primer on the four main Thai political parties follows:

THAI RAK THAI (TRT) PARTY

2. (U) TRT's dominant leader is Prime Minister Thaksin Shinawatra, with TRT Secretary-General (and Transportation Minister) Suriya Junggruengkit in the role of key political operative. TRT has more registered members, 14.4 million, than any other party and its current parliamentary strength -- 329 MPs (266 Constituency and 63 Party-List MPs) -- overshadows all of its coalition partner and opponent parties. Regionally, TRT members of Parliament (MP) are found in the great urban center of Bangkok, and the voter-rich rural provinces of the North and Northeast.

3. (U) In his first term, Thaksin's strong leadership and the TRT's decisive majority in Parliament allowed him to implement the "populist" policies he articulated in his campaign for victory in 2001. These policies -- especially the 30 baht Health Care scheme, the Farmers, Debt Suspension and Revitalization program, and the 1 million baht revolving Village and Community Fund -- have cemented his popularity with the rural electorate. Despite opposition accusations of conflict-of-interest and corruption, and some setbacks from the avian flu scare and continuing violence in Thailand's south, Thaksin has maintained a high level of popular approval. For this election, Thaksin has come up with new populist policies to run on, such as the so-called Small, Medium, Large village fund (SML) village improvement fund program, a large public works transportation project, and expansion of the country's irrigation water network in the rural areas. As noted in earlier reporting, winning TRT parliamentary candidates are expected to return Thaksin to office handily. Many observers believe the election is not about which party will win, but how wide the TRT majority will be after the votes are counted.

4. (U) Thaksin like to project an image of TRT, the party he founded, as modern and policy-oriented. However, despite his clear dominance of TRT, he still has to balance off the interests of party factions to keep winning candidates in his corner and stay in fullest control of the party and national politics. There are currently five major factions within the TRT:

-- Wang Buaban is currently the largest and most influential faction. It is led by Yowvapa Wongsawat, an MP from Chiang Mai and Thaksin's sister. Other key Wang Buaban figures are Suriya Junggruengkit, TRT secretary-general, and Somsak Thepsutin, the TRT deputy leader. Most faction members are MPs from the North, with some MPs from the Northeast.

-- Wang Namyen is led by Sanoh Thienthong, a veteran

politician and financier, who earned an unsavory reputation as an influential New Aspiration Party (NAP) figure. He is chairman of the TRT advisory board. Sanoh's faction is the second largest group with most, if not all, members coming from the Northeast. It was once the most influential faction, but its influence has waned with the emergence of the Wang Buaban group. Other leading figures in this faction are Sora-at Klinpratoom, the TRT deputy leader, and Chuchip Hansawat, an executive member and former Minister of Agriculture and Cooperatives.

-- Wang Phayanak is the faction of mainly former Seritham party MPs who merged with the TRT in July 2001. Pini Jarusombat, the former leader of the Seritham party, now a TRT deputy leader, is the faction leader. Prachuap Chaiyasarn, a Thai trade representative, and Ekkaphap Polsue, TRT deputy secretary-general, are other key figures. This faction has good relations with the Wang Buaban faction and been supportive in intra-party maneuvering.

-- The "Chart Pattana" faction became part of TRT in an official merger between the Chart Pattana party (CP) into TRT in September 2004. Suwat Liptapanlop, the wealthy former leader of CP, is this faction's leader. Suwat's electoral stronghold is in the Northeast, especially in Nakhon Ratchasima, where his influence permeates every political level.

-- The "Bangkok faction," comprised of TRT MPs from the capital city, is led by Sudarat Keyuraphan, the deputy leader. This faction's influence also extends to some neighboring provinces. PM Thaksin prizes Public Health Minister Sudarat Keyuraphan, the faction leader, for her political expertise and her opinion carries much weight in TRT councils. Other key members are Suranand Vejajiva, the clever and articulate TRT party spokesman, and Pimuk Simaroj, TRT deputy spokesman.

15. (SBU) Major financial backers of TRT include the Shin Corp (owned by the Shinawatra family), the CP Corporation, and corporations run by Secretary General Suriya Chunrungruengkit and Deputy Leader Adisai Photharamik.

DEMOCRAT PARTY (DP)

16. (U) The Democrat Party (DP), under the leadership of Banyat Bantadtan and DP Secretary General Pradit Phaktharaprasit, will likely remain as the main opposition party after the election. DP has deep roots in modern Thai democratic history, a current registered membership of 3.8 million, and a parliamentary strength of 128 MPs. Its regional strength is in Bangkok and southern province constituencies. In the last four years, the DP has had a decidedly difficult role - partly because the TRT-led majority coalition in the House of Representatives prevented DP from ever censuring the Prime Minister directly and even hampered its ability to open "no confidence" debates against ministers.

17. (SBU) The DP has struggled to come up with new approaches to better confront Thaksin and the TRT, which seems to outflank and humiliate the Democrats at every term, which has given the DP an air of ineptitude. Persistence of the bitter party rifts which have historically plagued DP have not helped. A party split widened in 2003 when power broker MG Sanan Khachonprasat, who was banned in August 2000 from holding political posts himself for 5 years for asset concealment, collided with then DP party leader Chuan Leekpai over Chuan's successor. Sanan's faction won this conflict and put veteran southern politician Banyat Banthathan in as the new DP leader, marginalizing Chuan's preferred heir, the young and charismatic Bangkokian Aphisit Vejajiva. In July 2004, reportedly disgruntled over his failure to sufficiently influence Banyat, Sanan led several MPs out of the DP and established Mahachon, a new political party built on the remnants of the Rassadon (People's) Party of Watthana Atsawahem, a notoriously "dirty" politician.

18. (SBU) The DP will probably be able to hang on to most of its traditional parliamentary seats in Thailand's South, and few constituencies elsewhere. However, under the stodgy and uninspired leadership of Banyat, it has no chance of extending its base or beating TRT nationwide.

CHAT THAI (CT) PARTY

19. (SBU) The Chat Thai (CT) leader is Banharn Silapa-archa, a veteran Thai politician and former prime minister whose political savvy and money hold the party together. CT has registered 2,340,000 members. Its current parliamentary strength is 41 MPs (35 Constituency and 6 Party-List), with the core of its regional strength located in Thailand's Central region, especially in Suphan Buri province.

110. (SBU) Chat Thai has downsized considerably since the Banharn-led administration left power in November 1996. The

almost immediate departure of most members of the Sanoh Thienthong faction (which later joined TRT) and other groupings of parliamentarians reduced the CT voting bloc significantly. For a time, CT political influence was based on MPs from Suphan Buri and Chon Buri provinces. Shortly before the January 6, 2001 parliamentary election, Newin Chidchob, an up-and-coming (some say "infamous") MP from Buriram, brought four MPs from the defunct Solidarity Party (SP) into CT. But most of this Buriram faction, including Newin, succumbed to the blandishments of a persistent TRT courtship in 2004 of MPs from other parties. Banharn also lost heavily from the Chon Buri faction and now presides over a CT that seems really only to have a safe hold on parliamentary constituencies in Supan Buri province. That said, Banharn remains one of Thailand's most tenacious traditional politicians, a survivor who seems to know which wheels to grease to keep a political machine rolling effectively.

MAHACHON PARTY (MCP)

11. (U) The only other party with prospects for winning a bloc of parliamentary seats is one of the newest, Mahachon (MCP), established in July 2004. Mahachon began essentially as a breakaway faction of the Democrat Party (see para 7 above). Its nominal leader is Dr. Anek Laothamthath, a former Dean of Political Science at Thammasat University and ex-Deputy DP Leader. Several other well-regarded DP MPs -- ex-Deputy DP Secretary General Akkhaphon Sorasuchat and ex-DP financier Phonthep Techaphaibun -- joined Mahachon as deputy party leaders. Mahachon's chief financial backer is ex-DP Secretary General MG Sanan Khachonprasat, who plays a major

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behind the scenes role. Other financial support reportedly is supplied by Chaliaw Yuwithaya of the Red Guar Beverage Company, with some also coming from business tycoon Charoen Siriwatthanaphakdi of the giant CP group of companies, who generously bankrolls several parties and political power brokers.

12. (U) One improbable theory circulating is that Mahachon was deliberately created as a branch of the DP, with a new name in order to improve the chances of regaining Northeastern voters, support. Under this theory Mahachon candidates taking TRT districts in the Northeast will reunite with the DP in forming a new government. The more realistic way of understanding Mahachon is that MG Sanan, unable to control Banyat, wanted to run a political party of his own for the wider political "opportunities" that could open. He wishes to be in a position to be of value to any political party able to form a coalition government, in particular the ruling TRT of Thaksin.

13. (U) Voters on February 6 will select 400 members of Parliament from constituencies throughout Thailand. They will also indicate their preferences for parties in a separate "party list" vote. All parties gaining 5 percent of the national party list vote will be eligible for a number of the 100 party list seats in the next Parliament, allocated on a proportional basis according to the votes received.

14. (U) The latest polls indicate that TRT could win 260-280 constituency seats, and up to 70 party list seats, or potentially close to 350 total seats in the 500 seat Parliament. This indicates that TRT might be able to form a single-party government, one with no coalition partners. The DP, with some support throughout Thailand, and retaining core constituencies in the South, should remain the main opposition party with just over 100 total MPs, including some 75-80 constituency seats. Chat Thai, surprisingly, appears to heading for 30-35 constituency seats and maybe the minimum 5 party list seats. Mahachon could win between 10-16 constituency seats, but is not expected to qualify for any party list seats. Some polls indicate that a sitting candidate from the New Aspiration Party (NAP), the only holdout when NAP merged into TRT, will win his constituency. Candidates from two very small parties, the Social Action Party (SAP) and Labor Party, might also manage to win one constituency seat each.

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